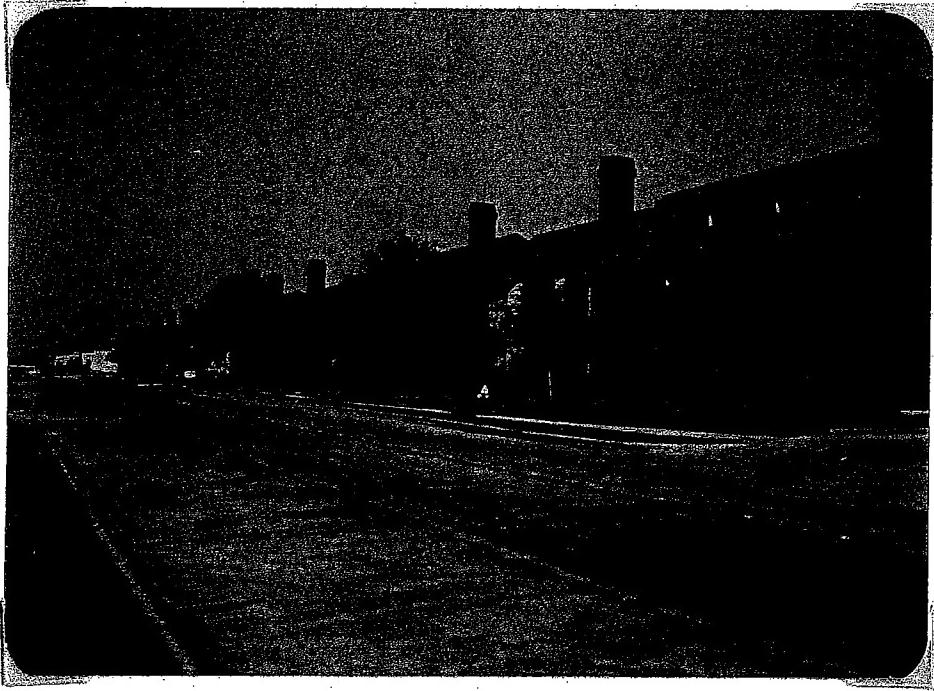


Houston apartment development is being held back by the lack of affordable land, high interest rates and utility service. Rents will need to approximate 62 cents per square foot for new construction to factor out.

Occupancy.

Apartment occupancy in the Houston area has continued to improve with the influx of new people, lack of affordable single-family homes and recoded multi-family construction. Occupancy in 1981 averaged 94% and is expected to reach 97% in 1982 with some areas experiencing 99% or 100% occupancy.

The expectant result of this is rapidly accelerating rental rates. A probable 10 cents per square foot increase in apartment rents should occur before the end of 1983.

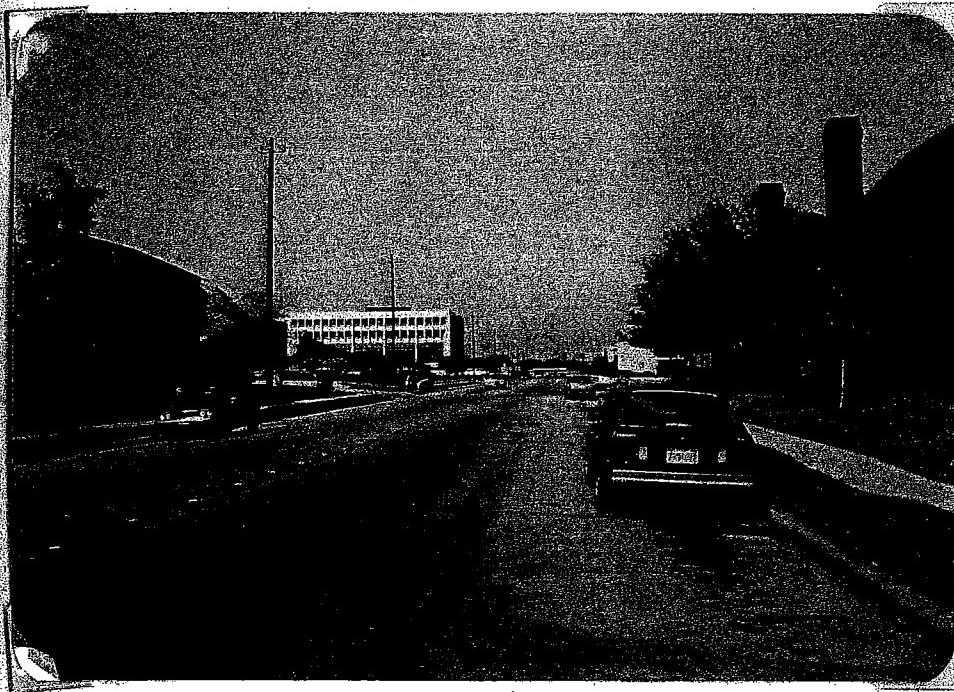


Looking northwest at the south side of the subject property from the south side of Dumfries.

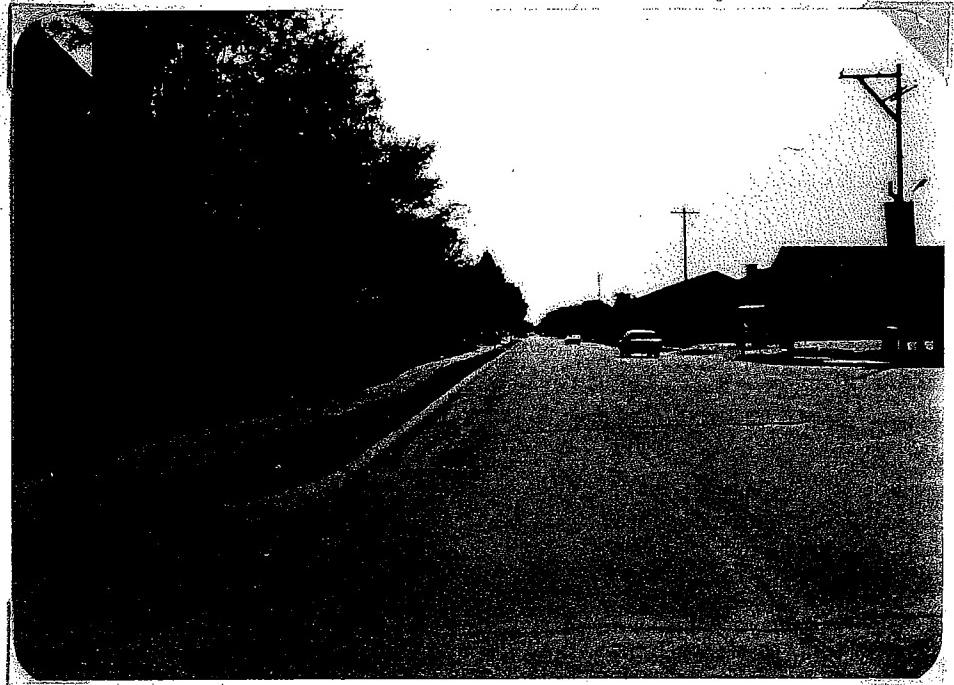


Looking north towards office and club area from the main entrance off Dumfries.

SUBJECT PHOTOGRAPHS

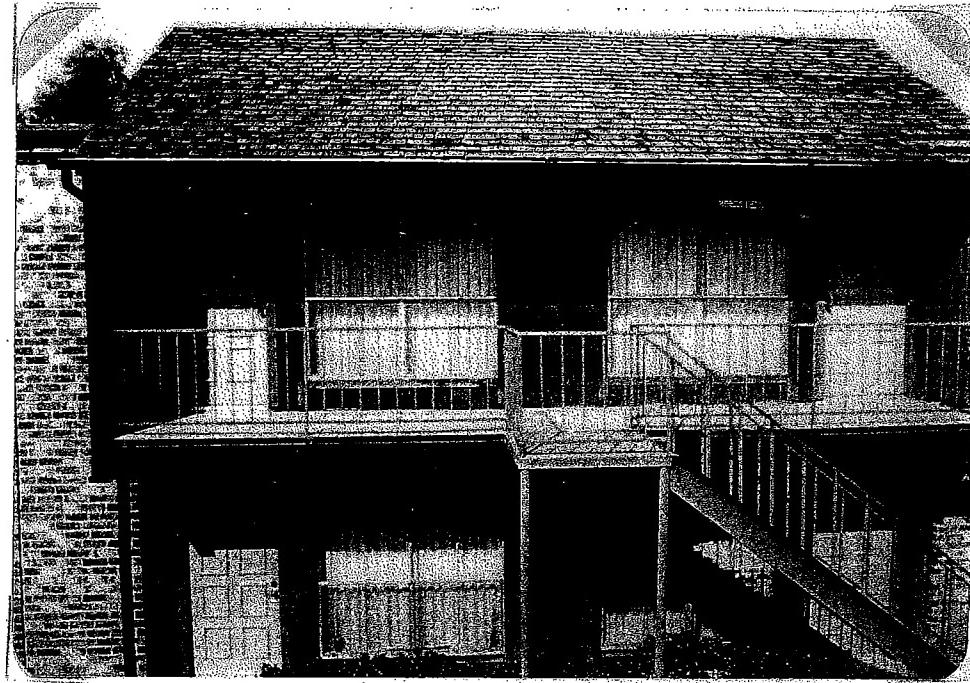


Looking west along Dumfries toward Fondren from the north line of Dumfries at the main entrance to Woodgate West Apartments.



Looking east along Dumfries from the north line of Dumfries at the main entrance to Woodgate West Apartments.

SUBJECT PHOTOGRAPHS



Typical apartment entrance on first and second floors.